



**OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR**

**Interagency Military Base Support and Economic Development Committee
(IMBSEDC) Quarterly Meeting**

Tuesday, June 30, 2015, 9 a.m.

Lieutenant Governor's Springfield Office
Room 214
Illinois Capitol Building
Springfield, Illinois

Lieutenant Governor's Chicago Office
James R. Thompson Center, Suite 15-200
100 W. Randolph St.
Chicago, Illinois

Conference Number: 1-888-806-4788
Access Code: 8040585503#

MINUTES

I. Call to Order and Roll Call (Quorum met)

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y-Chicago
Jim Schultz (Heidi Brown-McCreery)	Director	DCEO	N
Rep. Dan Beiser	Representative	111 th District	No
Rep. Tim Butler	Representative	87 th District	Y-SPI
Sen. Sam McCann	Senator	50 th District	No
Sen. William Haine	Senator	56 th District	No
Jeff Keirn	IDOT	IDOT	Y

Todd Rettig	IDNR	IDNR	Y-SPI
Clarence Smith	IEPA	IEPA	Y-SPI
Chima Enyia	IDOR	IDOR	Y-CHI
James Smith	IDMA	IDMA	Y-SPI
Frank Miles	Madison County	Madison County	Y-Phone
Gary Grey	SWIC	SWIC	Y-Phone
Col. Gene Blade (Ret.)	Illinois National Guard	Illinois National Guard	Y-SPI
Jim Morgan	Rock Island Arsenal Development Group	Rock Island Arsenal Development Group	Y-Phone
Larry Walsh	Will County	Will County	No
Paul Rumler	Quad Cities Chamber	Quad Cities Chamber	Y-Phone
Rick Kwasneski	Joliet Arsenal Development	Joliet Arsenal Development	No
Brigadier Gen. Frank Rezac (Ret.)	Illinois Air National Guard	Illinois Air National Guard	Y-SPI

II. Approval of Minutes From November 20, 2014

- a. The minutes of the November 20, 2014 IMBSEDC meeting were adopted. Rumler 1st. Miles 2nd.

III. Chairman's Remarks

Lt. Governor Sanguinetti welcomed members to the first meeting of the committee under the new administration.

Lt. Governor Sanguinetti reported she had visited 3 military bases; Rock Island Arsenal (RIA), Scott Air Force Base (SAFB), and Naval Base Great Lakes (NBGL), since being sworn into office. On her visits, Sanguinetti has met with military commanders and community members to discuss the past, present and future of our state's military bases and their economic impact on our state. The top topic concerning all three locations was the potentiality of a Base Realignment and Closure (BRAC) process by the Department of Defense, which may come as soon as 2017.

Lt. Governor Sanguinetti stated she will stand and fight against a closure of Illinois' military bases. Illinois has been disproportionately affected by previous BRAC rounds. Illinois lost Chanute Air Force Base and Fort Sheridan in the 1988 BRAC, lost Glenview Naval Air Station in the 1993 BRAC, and Savanna Army Depot in the 1995 BRAC. Because of these closures Illinois now ranks 48th in per capita defense spending according to Bloomberg, and the state can't afford to lose any more.

Lt. Governor Sanguinetti talked about some of the most important issues at each base.

RIA issues include the underutilization of the Joint Manufacturing Technology Center and the lack of public knowledge of all of the other missions at the arsenal including; Joint Munitions Command, First Army, and Army Sustainment Command.

Scott Air Force base has a big opportunity to acquire a National Geospatial-Intelligence Agency facility from St. Louis that could bring 3,000 jobs. The state is united with local officials in bringing the NGA facility to Illinois, and it would strengthen the SAFB's position going into a potential BRAC. The local community leaders are working hard to bring this facility to Illinois.

While NBGL is perceived as the not being the most threatened by BRAC, there are issues with quality of life for soldiers and civilians living on or near the base. The biggest quality of life issue is lack of good educational opportunities near the base. Some of the local schools and school districts rank in the bottom 5 percent academically in the state. Many soldiers have moved their families far distances from the base to enable their kids have good educational opportunities.

Lt. Governor Sanguinetti praised the previous administration for the work they did in regards to the defense industry in Illinois, most notably with the economic impact study commissioned by the Lt. Governor's office with the help of the Illinois Chamber of Commerce and Northern Illinois University's Center for Government Studies. Sanguinetti wants to build off of the study in the future and use it as a foundation of a comprehensive plan to fight for Illinois' defense industry and military bases.

IV. New Business

a. State Military Economic Impact Study

Lt. Governor Sanguinetti re-introduced the state military economic impact report, "Illinois Military Base and Defense Industry Assets Economic Impact Study: State and Regional Analyses". While the study was first presented at the November committee meeting Sanguinetti mentioned there was a lot of new members and wanted to make sure the study wasn't lost in the transition.

Ben Brockschmidt, Director of Federal Affairs, Illinois Chamber of Commerce. Very first economic impact study done on the defense industry assets in Illinois.

25 states have done this type of study, and other states have done much broader studies which include strategic path forward on where to go from here. This study was only the first step on what the right approach to be going forward.

Dr. Brian Richard, Northern Illinois University spoke on how the study focused on three main factors; employment, payroll & income, and Gross Domestic Product (GDP). The study broke down numbers by congressional district, and as far as they know the only state study that looks at congressional districts. The study also looks at regions just across the state line into counties in Iowa, Missouri, and Wisconsin near Illinois military bases.

Brockschmidt explained the study found the defense industry directly contributed to 150,000 jobs, \$13.4 billion in economic activity, 2% of GDP. Data was broken down by each congressional district.

Brockschmidt detailed the largest economic impact stems from the installations at Scott Air Force Base near Belleville, the Rock Island Arsenal in the Quad Cities, and the Naval Station Great Lakes. These bases alone support 85,000 jobs, and contribute a total of \$9.1 billion the state's economy, the study shows.

Brockschmidt emphasized importance of retirement in the defense industry, noting that servicemen and women go through these facilities and become attached and do not wish to leave the communities.

Brockschmidt highlighted impacts of facilities: Scott Air Force Base has 2,500 jobs from other Illinois districts that connect to the facility; Naval Station Great Lakes is a profitable tourist destination because of trainees and family; Rock Island Arsenal has about 15,000 jobs across the state connected to the facility, with retirees being a large part of it.

Private sector jobs supported by the defense industry were emphasized - science, technology, professional services, construction, retail trade, healthcare.

Brockschmidt discussed general strengths – community support, skilled workforce, strategic locations, diverse industries; weaknesses – public perception of Illinois not being a defense state, lack of awareness of capabilities, hubs; opportunities – new missions, shared services, improve community support, new ventures; and threats – changing missions to nontraditional engagements such as ISIS, other states, sequestration/budget cut, workforce/personnel.

Brockschmidt concluded the briefing with a summarization about going forward. We need to monitor military-related developments at the federal, regional, state, and local levels; examine and learn from the strategic outreach, advocacy, and communications underway by other states; encourage military installations and communities to identify and implement shared service partnerships with the public and private sectors; and stress the importance of proactively engaging individuals well in advance of another BRAC round.

Jim Morgan of Rock Island received clarification that retirement numbers are military only and not inclusive of civilian retirement. The numbers are military retirement only because the facilities provide unique services to these retirees.

Lt. Governor Sanguinetti asked if there was anything new that happened after the release of the report that isn't a part of the document. Brockschmidt addressed the change in the US Senate dynamic as concerning because of how young it has become and the political party affiliations.

An unknown individual asked what can be done with August recess coming up to build these strategies in those Congressional delegations and increase public perception. Brockschmidt explained their past and future plans of outreach to districts and the public across the state. He also explained that his team is gathering information about the defense industry of states such as Michigan, Ohio, and Indiana to reflect benefits of an Illinois, Iowa, and Missouri partnership.

Tim Butler asked if there is anyone on Armed Services. Brockschmidt discussed Duckworth, Kinsinger, and Dold's involvement, along with the delegation that comes together on these issues.

Paul Rumler stressed the need to continue developing a strategic plan to keep moving forward.

Frank Rezac, along with Clarence Smith, commended the study and pressed that as a committee they need to identify all military units and their individual functions. Rezac expressed specific concern for the guard units, more so than the three military bases.

b. BRAC 101- Former Congressmen Jerry Costello

Lt. Governor Sanguinetti introduced former Congressman Jerry Costello to discuss the BRAC process and what to anticipate if a BRAC occurs in 2017.

Frank Miles from Madison County shared Costello's remarks in lieu of his absence to take another call. Miles discussed Scott Air Force Base and the possible relocation of the National Geospatial Intelligence Agency from Missouri, which would bring in about 3,000 jobs to Illinois. Another initiative they are working on is the public private sector partnerships, which are encouraged by the National Defense Authorization Act. This would decrease the operation costs of bases and facilities locally. He also stated that Scott Air Force Base will be receiving the Abilene Award for community support that exists around the base.

Clarence Smith has been in contact with the Office of the Secretary of Defense who is planning for a BRAC to occur in 2017.

Jim Morgan mentioned that administration in Washington, D.C. believes that a BRAC would occur in 2019, not 2017.

c. Member Comments:

Chima Enyia – No direct concerns, most of his questions were answered.

Brian Colgan – His team will be taking the information and creating goals for the future.

Gene Blade – No comments.

Frank Rezac – Invited Lt. Governor to Peoria.

James Smith – Invited Lt. Governor to Camp Lincoln National Guard.

Rep. Tim Butler – Put importance on creating knowledge about the specifics of each unit, as Rezac discussed.

d. Appointments

Lt. Governor Sanguinetti asked for recommendations for potential appointments to the Intergovernmental Military Base Support and Economic Development Committee. Individuals with an experience in Illinois military bases and economic development in the local communities surrounding them were encouraged.

V. Public Comments

None.

VI. Adjournment

Lt. Governor Sanguinetti adjourned the meeting and thanked the committee for their work.